Marketing Healthcare Centers & Hospitals

Session 2

The Environment of Marketing Strategy

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The Environment of Marketing Strategy

Environmental Scanning

An effective marketing organization must continually scan the environment to assess and identify trends that its marketing strategy must consider.

Through the acquisition & use of information about events, trends, and relationships in an organization's external environment, the knowledge of which would assist in planning of the organizations future course of actions.

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The Environment of Marketing Strategy

Environmental Scanning & Analysis :PESTEL

1. **P**olitical / Regulatory Factors
2. **E**conomic Factors
3. **S**ocio-culture Factors
4. **T**echnological Factors
5. **E**cological
6. **L**egal

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Political Factors

- Taxation policy
- Pressure groups

Regulatory Environment

In recent years, a growing number of regulations have required that data be made available by different segments of the health care system,

for example : hospital death rates, hospital admission rates.

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Economic Factors

- Inflation & Income

  - Inflation is the decline in buying power when price levels rise faster than income

  - A health care provider who might find the opportunity to offer new services is constrained by the higher cost of capital

  - The cost of borrowing increases(interest) during inflationary period.

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Economic Factors

- Employment
- Business cycles
- Energy availability and cost

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Customer's Income

- Gross Income
- Disposable Income
- Discretionary Income

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Socio-cultural factors

- Demographics
- Distribution of income
- Social mobility
- Lifestyle changes
- Levels of education

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Social Factors

- Demographics

Demographics are statistics that describe members of a population in terms of who they are, where they live, and the types of jobs they have.

Example :

Health care organizations are becoming more attentive to the aging market senior care programs, adult day care centers, Alzheimer's clinics, and long term care facilities are potentially growing business opportunities in light of this aging marketplace.

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Social Factors

-Culture

incorporates the values, customs, and compatible rules passed from one generation to the next**.**

Several cultural changes are occurring in the marketplace, which health care marketers must note example :check-up programs

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Social Factors

Roles of women and men

As women work outside the home in greater numbers, organizations must respond to their needs.

Example:

Pediatric hours may need to be extended to evenings or weekends for appointments.

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Environmental Scanning

Country	Behaviors Viewed as Rude or Otherwise Unacceptable
Japan	Talking about price during negotiations
Finland	Standing with your arms folded across your chest
Belgium	Talking with your hands in your pockets
Egypt	Showing the sole of your shoe (as when legs are crossed)
Zambia	Pointing directly at someone or something
France	Chewing gum, yawning, or conversing loudly in public
Hong Kong	Blinking conspicuously during conversation
India	Expressing anger
New Zealand	Using toothpicks or chewing gum in public
England	Pushing your way in front of others standing in a line
Sri Lanka	Touching, leaning on, or sitting on an image of Buddha
Thailand	Stepping on a doorsill when entering a building

Source: "Gestures Around the World," Web of Culture, www.webofculture.com/worldsmart/gestures.html, July 5, 2001.

Technological

- New discoveries and innovations
- Speed of technology transfer
- Rates of obsolescence
- Internet
- Information technology

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Technological

- The conventional abdominal hysterectomy involves a 3 to 4 day hospital stay and costs approximately $ 7000
- Increasingly this procedure is being performed as an outpatient vaginal surgery and can almost $ 3000

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Technological

- The internet dramatically changed the interface between providers and their patients (Telemedicine)

(the remote diagnosis and treatment of patients by means of telecommunications technology)

- In the next generation cell phones it is highly likely that blood pressure monitoring and other vital signs can be sent remotely to a physician's office

- As today's physician carries a wireless palm to assess pharmaceutical information or send information within a hospital

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Ecological

- The science of the relationships between organisms and their environments.

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Legal

- Environmental protection laws
- Employment law
- Competition law
- Consumer protection law
- Contract law
- Patency

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